

FUNCTIONAL SURVEYS

TO BE MADE BY DEPARTMENTS AND AGENCIES

The attached memorandum, "Analysis of the Operations and Organization of a Functional Survey Program," is intended as a guide of the work to be performed within each organizational segment in connection with the specific function to be surveyed. The findings of the survey should have no limitations regarding existing legal requirements, regulatory requirements, and the like. Although such limitations must be recognized, recommendations should be made to allow the Congress to consider the necessary remedial action. It is important that adequate documentation be developed to substantiate all findings and recommendations.

Immediate plans should be made for a complete review for the express purpose of bringing organization, programs, operations, and housekeeping into alignment with modern and efficient business practices and policies.

A number of indices designed to disclose areas requiring improvement should be considered when selecting a function to be surveyed. A brief systematic investigation and analysis of the following points should uncover where the most promising opportunities or most serious problems may lie:

1. Recent management survey reports
2. Low productivity
3. Excessive backlogs of work
4. Excessive overtime
5. Low morale and/or high turnover of personnel
6. A large number of personnel engaged in a particular function or phase thereof
7. Performance factors
8. A function expanding or recently expanded in its operations
9. A function recently transferred from another agency
10. An old function with relatively static procedures.

These should be supplemented by:

1. Review of regular operating and executive reports
2. Personal knowledge of specific areas
3. Discussions with executives and supervisors

Each agency is also requested to select carefully the personnel to participate in this program. It is suggested that representation include qualified employees from the organization and management staff, the accounting staff, and operations. The number to be assigned to the survey of the function or functions as selected by each department or agency will vary with each department and agency.

The functional survey is considered to be one which analyzes the operations primarily in terms of the functions performed in carrying out the objectives of the program. Such a survey crosses organizational lines so as to include all elements of a particular function. For example, processing claims may involve several branches within a division and also branches or sections of other divisions.

One approach is to establish the major activities that are performed in the functions selected for study so as to facilitate the allocation of man-years for all units or organizational segments involved. Eventually the man-years of each organizational segment should be allocated to the specific major functions that have been established so as to provide an overall picture of each function and the total man-years required to perform each function. It is important to know not only the man-years that are devoted to a specific function but also the salary cost of the function.

The analysis and review of the work performed within each organizational segment relating to the specific function or functions to be surveyed should provide the necessary information to determine:

1. Adequacy of Organization

Extent of over-organization, if any, in terms of excessive subdivisions and excessive supervision.

2. Propriety of Delegation of Authority

Extent of excessive delegation in terms of too many echelons. Lack of adequate delegation of authority.

3. Essentiality of Functions Performed

Extent that non-essential functions, if any, exist.  
Extent that any duplication and overlapping exist.

4. Degree of effectiveness of utilization of Manpower

5. Effectiveness of Other Management Controls

6. The need for legislative action to remedy weaknesses or effect improvements.

ANALYSIS OF THE OPERATIONS AND ORGANIZATION OF A  
FUNCTIONAL SURVEY PROGRAM

This memorandum is intended to serve only as a guide to the work to be performed within each organizational segment studied. It is designed merely to assist in bringing out sufficient facts and information to provide adequate answers to questions such as the following:

1. What organizational units are directly involved in performing the function or supplying data deemed necessary to perform the function?
2. What activities relating to the function are performed by the organizational unit?
3. What procedures are followed in performing the activities so selected?
4. Are the procedures followed those which will most effectively achieve the objectives?
  - a. What procedures might be eliminated or transferred?
  - b. What procedures might be improved, and how?
5. What is the workload involved?
  - a. How does it compare with prior periods?
  - b. Are there backlogs of work and how may they be overcome?
6. What, if any, documents or records are unnecessarily kept or handled?
7. Is the unit staffed adequately to handle these activities?
  - a. Can any personnel be eliminated?
  - b. Are additional personnel needed?
  - c. What specialized training of personnel is required and has it been supplied?
8. Do any of these activities duplicate similar activities performed elsewhere?
9. Do any of these activities represent unnecessary steps in performing the function?

To assist in gathering basic facts and other data, the following specific steps should be performed. In addition, this outline should

indicate the general direction for further specific work based upon each individual's own analytical approach to the objectives of the study. For simplicity the specific items are grouped under four broad phases, activities performed, procedures followed, manpower required and records kept and reports rendered. Remember this survey is limited to an analysis of those activities within an organization that pertain to the function being studied.

Activities Performed to Accomplish the Function

1. Ascertain the authority or reason for the function performed. This will include a complete study of the legal and legislative history.
2. Obtain from the principal employee of each unit involved in performing the function a concise statement of all activities performed by the unit.
3. Verify or conform the information shown on control flow charts with that obtained as a result of direct study.
4. Select for more intensive analysis those activities directly involved in performing the functions or in providing data deemed necessary.

Procedures Followed

1. Review (obtaining copies where feasible) all procedure manuals or directives followed in carrying out the work of the unit involved in the activities performed.
  - a. Prepare comments emphasizing adequacy and covering such matters as utilization, and up-to-dateness of such written instructions (currency, and methods of preparation, issue, and control).
2. Determine factors for measuring workloads and prepare a summary of workloads by months for predetermined periods.
3. Obtain copies of any work progress reports prepared by the unit.
  - a. Review and prepare comments covering purpose, frequency, adequacy, utilization, accuracy, and any other appropriate factors such as procedures for scheduling and controlling work flow.
4. Obtain copies of all forms in use by the unit and summarize their purposes and the extent of utilization.
5. Prepare a list of all documents handled by the unit showing their relationship to the functions of the unit.

6. Examine, in detail, all procedures followed by the unit.
  - a. Obtain from the principal employee of each unit a comprehensive description of the work performed by identifiable groups of employees within the unit.
  - b. By visual observation, interview and other means, review and analyze procedures with the objective of determining their necessity, effectiveness, and efficiency of method of performance (e.g. manual v. machine). Test and sampling techniques may be utilized together with flow charts.

Manpower Required

1. Prepare a summary showing total number of personnel employed by grades and job titles or other descriptive classifications.
  - a. Trace or reconcile data as of the date of study to the control organization chart, i.e., relationship of individual job descriptions to organization chart statements.
2. Find out what relationships, if any, have been established between the work performed and the manpower used.
3. Examine standards used for determining manpower required.
  - a. What is basis for standard?
    - (1) Experience
    - (2) Work measurement
    - (3) Engineered
    - (4) Sampling

4. What is method, if any, used to relate skill requirements to equipment used or to be used?
5. Review types of training and use of projected skill requirements (against changes in workload, procedures or equipment) to plan type and size of programs.

Records Kept and Reports Rendered

1. Prepare a summary showing the type of records kept in the unit. Data developed should include:
  - a. Types of information recorded
  - b. Source of each type of entry
  - c. Volume of postings
  - d. Frequency of postings

- e. Method of posting
  - f. Responsibility for maintenance
  - g. Man hours required
  - h. Purpose of record, nature and frequency of references to it or inquiries for information it contains; types of reports, if any, prepared from it.
2. Prepare a summary of reports prepared by the unit. Data developed should include:
- a. Types of information reported
  - b. Period covered by each report
  - c. Frequency of preparation
  - d. Source of each part of the information
  - e. Method of compiling data
  - f. Responsibility for preparation
  - g. Man hours required
  - h. Number of copies
  - i. Complete routing of each copy
  - j. Use made of the report
3. Evaluate the specific need for each record kept and report rendered.

EXHIBIT "D"

REPORT ON REVIEW OF BASIC MANPOWER CONTROLS

Department or Agency \_\_\_\_\_

1. Is any one official charged with review and control over the manpower used by your agency? If so:

Name:  
Title:

2. Which of the following types of manpower does he review?

	Yes	No
(a) Classified		
(b) Wage Board		
(c) WAE		
(d) WOC		
(e) Personal Services Contracts		
(f) Foreign Nationals		
(g) Military		
(h) Foreign Service		
(i) Schedule C		

(Designate which types are not applicable to your agency.)

3. If this responsibility has been assigned to a subordinate staff agency:

Name of supervisor:  
Title:  
Staff Agency:

4. Are there any regular reports on manpower? If so:

- (a) What is frequency of reports?  
(b) What types of manpower are reported? (See 2 above.)  
(c) What is the basis of report?

- (1) Organizational  
(2) Function  
(3) Budget project  
(4) Combination  
(5) Other (name)

- (d) What actions, if any, are taken as a result of the reports?  
Describe briefly:

5. Are manpower controls in effect for only a segment(s) of the Department or Agency? If so, list the organizations involved.

EXHIBIT "E"

MONTHLY MANPOWER PROGRESS REPORT

1. Department or Agency: \_\_\_\_\_
2. Date of report \_\_\_\_\_
- |  | <u>Continental</u> | <u>Overseas</u> |
|--|--------------------|-----------------|
| 3. Number of paid civilian employees as of August 31, 1955   | _____              | _____           |
| 4. Number of paid civilian employees as of date of report<br>(As reported to Civil Service Commission) | _____              | _____           |
5. Functions surveyed or under survey at date of report: (List)
6. Brief resume of the actions taken during the past month to accomplish manpower savings.